



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN No. 1713 (1941)

January 6, 1987

SUBJECT: Youth Loans

TO: All State Directors, State Directors-at-Large,
Farmer Programs Chiefs, District Directors and
County Supervisors, FmHA

PURPOSE/INTENDED OUTCOME:

This Administrative Notice (AN) clarifies that when a youth loan is made, the youth must be a member of a sponsoring organization and have the benefit of an adult advisor who is associated with said sponsoring organization.

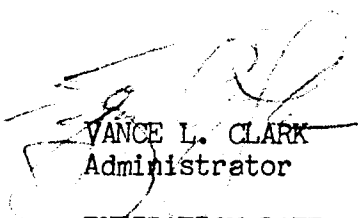
COMPARISON WITH PREVIOUS AN:

No previous AN has been issued on this subject.

IMPLEMENTATION RESPONSIBILITIES:

It has come to our attention that youth loans have been made when the youth involved was not a bona fide member of a sponsoring organization. We recognize that FmHA Instruction 1941-A, Section 1941.13 does not specifically state that the youth must be a bona fide member of the sponsoring organization, e.g., 4-H Club, Future Farmers of America or similar organizations. The regulation states, "a rural youth who applies for an OL loan must be recommended by a project advisor such as a 4-H Club advisor, vocational teacher, home economics teacher, county extension agent, or other organizational sponsor or advisor." However, both the authorizing statute and FmHA Instruction 1941.4(o), which defines rural youth projects, require that the youth participate in a sponsoring organization.

Therefore, you should investigate applicants to ascertain whether he/she is, in fact, a member of one of the types of organizations named in this AN, before the applicant is determined eligible by the County Committee.


VANCE L. CLARK
Administrator

EXPIRATION DATE: December 31, 1988

FILING INSTRUCTION: Preceding
FmHA Instruction 1941-A.



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Secretary of Agriculture, Washington, D.C. 20250